



CITY COUNCIL

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037-4128

CITY COUNCIL

Dennis Kennedy, Mayor
Larry Carr, Mayor Pro Tempore
Hedy L. Chang, Council Member
Greg Sellers, Council Member
Steve Tate, Council Member

WEDNESDAY, NOVEMBER 13, 2002

7:00 P.M.

AGENDA

**SPECIAL CITY COUNCIL MEETING
TO BE HELD IN THE
CITY COUNCIL CHAMBERS**

A Special Meeting Is Called for the Purpose of Conducting City Business.

Dennis Kennedy, Mayor

CALL TO ORDER

Mayor Kennedy

ROLL CALL ATTENDANCE

City Clerk Torrez

DECLARATION OF POSTING OF AGENDA

City Clerk Torrez

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.
(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**
(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE CITY
CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council Action

OTHER BUSINESS:

| | Time Estimate | | Page |
|----|----------------------|--|-------------|
| 1) | 120 Minutes | <u>SEWER AND WATER REVENUE REQUIREMENTS</u> | 1 |
| | | <u>Recommended Action(s):</u> | |
| | | 1. <u>Review</u> Water and Sewer Fund Revenue Requirements Study; and | |
| | | 2. <u>Evaluate</u> Sewer and Water Revenue Alternatives and <u>Provide Guidance</u> to Staff, So that A Narrowing of These Alternatives Will Occur by January 1, 2003. | |
| 2) | 30 Minutes | <u>UPDATE ON BUDGET AND REVENUE FORECAST</u> | 41 |
| | | <u>Recommended Action(s):</u> | |
| | | 1. <u>Direct</u> City Manager to Reduce General Fund Costs to a Target Level 4% Below Budget, Except Fire and Medical Services, and to Minimize Adverse Service Affects; | |
| | | 2. <u>Approve</u> Using \$184,000 of the General Fund Reserve Designated for Economic Uncertainty to Finance the 2002/2003 Budget; and | |
| | | 3. <u>Direct</u> the Finance Committee to Explore Potential Revenue Sources for the General Fund. | |
| 3) | 15 Minutes | <u>FUND RESERVE AND DESIGNATION POLICY</u> | 47 |
| | | <u>Recommended Action(s):</u> <u>Discuss</u> and <u>Approve</u> the Proposed "Fund Reserve and Designation Policy." | |
| 4) | 10 Minutes | <u>COUNCIL DIRECTION REGARDING SCHEDULING OF SPECIAL MEETINGS</u> | 55 |
| | | <u>Recommended Action(s):</u> Council <u>Discussion</u> and <u>Direction</u> Regarding Scheduling/Calling of Special Meetings. | |

City Council Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

| | |
|--------------|------------------------------------|
| Authority: | Government Code section 54956.9(a) |
| Case Name: | City of Campbell et al. v. CalPERS |
| Case Number: | OAH 5119 |
| Attendees: | City Attorney, City Manager |

2.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

| | |
|--------------|--|
| Authority: | Government Code section 54956.9(a) |
| Case Name: | Allivato v. City of Morgan Hill et al. |
| Case Number: | Santa Clara County Superior CV 810111 |
| Attendees: | City Attorney, City Manager |

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT